4-400

ON TOP

Sulphor Mi. 1989

OCT 21 1959

Date Initia To

L 744

1152

10721 876 734

Date Are's

NEWLANDS 337. -

RECEIE ED

ne. Sentari B. Cophing Dani Betario Statutopo Statutopi Philide Vario Cillino Suntetti Stani Biotofich Sta Berno, Sublidunde

State Mr. Collins

NOTICE: If you detach enclosures please insert gode No. E.O. Canson

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRUCKEE-CARSON IRRIGATION DISTRICT

Truckee-Carson Irrigation District that the President and the Secretary of the District be and they hereby are authorized and directed to execute, seal and deliver on behalf of the District an agreement among the United States, acting through the Bureau of Reclamation, Department of the Interior, the Bureau of Yards and Docks, Department of Navy, and the District relating to the payment of construction and operation and maintenance charges of the Newlands Project for lands acquired for the Naval Auxiliary Air Station, Fallon, Nevada, and other matters, on terms and conditions contained in the form of agreement considered at this meeting.

CERTIFICATE

I, John R. Hannifan , Secretary of the Truckee-Carson Irrigation District, do hereby certify that the foregoing is a full, true and correct copy of a Resolution of the Board of Directors of the Truckee-Carson Irrigation District passed at a regular meeting of the said directors held on July 7, 1959 , at which meeting Seven of the directors of said District were present and Six of said directors voted in favor of said Resolution.

I further certify that the number of directors of the Truckee-Carson Irrigation District is Seven .

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Truckee-Carson Irrigation District of Fallon, Nevada, this 7th day of July , 1959.

/s/ John R. Hannifan Secretary

(SEAL)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION

NEWLANDS PROJECT

THIS AGREEMENT, made this 15th day of October , 1959 in pursuance of the Act of June 17, 1902 (32 Stat.388) and acts amendatory thereof or supplementary thereto among THE UNITED STATES OF AMERICA, acting through the Bureau of Reclamation, Department of the Interior, hereinafter referred to as Reclamation, the BUREAU OF YARDS AND DOCKS, Department of Navy, hereinafter referred to as Navy, represented by the officers executing this agreement, and the TRUCKEE-CARSON IRRIGATION DISTRICT of Fallon, Nevada, hereinafter referred to as District,

WITNESSETH:

WHEREAS, Reclamation constructed the Newlands Project, Nevada, hereinafter referred to as the Project, pursuant to the Federal Reclamation Laws, and entered into certain contracts dated December 18, 1926, and June 14, 1944, with the District providing, among other things, for repayment of Project costs and assumption of operation and maintenance of Project works by the District, and

WHEREAS, the Mavy has constructed the Naval Auxiliary Air Station, Fallon, Nevada, hereinafter referred to as the Air Station, and intends to expand such Air Station and has acquired, and will acquire, certain lands within the District served by the Project pursuant to water right contracts and which lands prior to acquisition by

the Navy were assessable by the District to pay construction costs and operation and maintenance charges of the Project, and

WHEREAS, a part of the lands acquired by the Navy have been enclosed within a fence and maintained as a Security Area wherein free egress and ingress is curtailed; and

WHEREAS, said Security Area has been and must remain an integral part of the Air Station; and

WHEREAS, the Navy has acquired certain lands containing areas which have been classified to be of potential agricultural quality;

WHEREAS, the Navy desires to continue the use of project water on areas acquired by it and to obviate adversely affecting the project.

NOW, THEREFORE, in consideration of the mitual and dependent stipulations and covenants herein contained, it is agreed by and between the parties hereto as follows:

- lation for judgment in condemnation proceedings indentified as civil actions 1030, 1325, and 1401 the sums as indicated upon Exhibit "A" attached hereto, representing unpaid construction costs and moratorium charges assessed against acreage acquired by Navy in the 1952, 1957, and 1958 land acquisitions for the Air Station. Navy will likewise pay to the District all unpaid construction charges including those deferred by moratorim acts assessed against lands within the Project which may be acquired in fee by Navy for future expansion of the above Air Station.
- 2. It is agreed that construction charges suspended against lands acquired or to be acquired by Navy shall remain suspended until such lands are reclassified by the Secretary of the Interior in accordance with Sec. 43 of the Act of May 25, 1926 (44 Stat. 636), as amended by the Act of April 23, 1930 (46 Stat. 249). Navy agrees to pay construction

charges on any lands acquired by Navy declared by the Secretary of the Interior to be possessed of sufficient productive power properly to be placed in a paying class. Should any of the suspended lands acquired by Navy be found by the Secretary of Interior to be permanently umproductive they shall thereupon, upon request of Navy, be excluded from the payment of construction and operation and maintenance charges.

District annually in advance of the irrigation season the actual operation and maintenance charges of the irrigation and drainage system allocable to lands held or acquired by the Navy. In addition thereto, the Navy agrees to pay all operation and maintenance costs as accrued, allocated to lands held or acquired by the Navy and not paid by lessees, upon receipt of quarterly statements issued by the District on March 31, June 30,88 ptember 33, and December 31 of each calendar year during the existence of this agreement. Upon such payments the District will continue to make available for use by the Many of its lessees Project water to the extent provided under water right contracts. District may withhold delivery of water for failure to pay O&M charges and costs as herein provided, and nothing elsewhere contained in this agreement shall be construed to the contrary.

4. The Navy agrees to the beneficial use of water on those lands under water right acquired by it except that, if and when certain water right lands are put to such uses as to preclude beneficial use of irrigation water thereon, the Navy shall either request cancellation of water rights or request the transfer of such water rights to other lands owned by Navy determined by the Secretary of the Interior to be irrigable and said rights to the delivery of water shall be transferred thereto. Navy agrees, upon transfer of said water rights, to take expeditious steps, through outlease or otherwise, to level said new lands for irrigation and plant crops thereon so as to maintain said transferred water right. It is mutually

agreed that lacking a showing of beneficial use of water on those Navy lands eligible to receive water under this agreement, and where other irrigable lands owned by the Navy are not available, water right contracts may be cancelled pursuant to applicable State and Federal regulations.

- 5. In any transfer or sale of lands acquired or to be acquired by Navy for the Air Station, said bands shall be disposed of by the Navy with the water rights appartenant thereto.
- 6. The Navy will be responsible for the operation and maintenance of those project works within the Air Station shown on Exhibit "B" attached hereto and the District will be responsible for the operation and maintenance of those other project works within the Air Station so designated on said Exhibit "B." The responsibility for operation and maintenance of works by the Navy and the District may be modified by mutual agreement in writing between the Navy and the District.
- 7. The parties hereto agree that no modification of project works will be made within the Air Station without advance approval of the plans by the other parties hereto. Any expense for such modification or additional operation and maintenance expense thereof shall be assumed by the Navy or the District, whichever proposed said work, provided, however, that to the extent existence of facilities of the Navy require increased expenditures by the District those expenditures shall be assumed by Navy.

- 8. The Navy agrees that the District maintenance crews shall be granted ingress and egress to the rights-of-way of the project works as shown on Exhibit "B" with minimum restrictions subject to such clearance as in the opinion of the Commanding Officer, Naval Auxiliary Air Station, Fallon, Nevada, may be required for the security of the Air Station.
- 9. District and Reclamation agree that they will build no structure on the lands subject to restricted development within the project as shown on Exhibit "C" which is more than 40 feet above runway elevations at the Air Station, and they will limit the use of such lands to agricultural development. District and Reclamation further agree that such restrictions shall likewise be imposed upon the lessee of any such lands. The Navy shall have ingress and egress to the lands shown on Exhibit "C" and is authorized to clear trees or other obstructions extending 40 feet above runway elevations, to install and maintain such obstruction lights as are considered by the Navy to be necessary, and to perform other necessary actions connected with operation of the Air Station.
- in payment of project construction costs will within thirty (50) days of receipt of such sums be transmitted to Reclamation for proper application on project construction costs in the amounts shown by the books and accounts of the United States to be payable therefor. Reclamation agrees that such sums so received from the District will be used for giving appropriate credit on annual construction cost installments due from the District to Reclamation under the contract of December 18, 1926, as amended by the contract of June 14, 1944.

- 11. The contracts of December 18, 1926, and June 14, 1944, between Reclamation and the District shall remain in full force and effect, except as modified by the provisions of this agreement.
- 12. The District and Reclamation agree to revocation of withdrawal of the following lands withdrawn for reclamation purposes as shown on Exhibit "C" to provide for Navy withdrawal and use for construction and protection of improvements: NW\(\frac{1}{4}\)SE\(\frac{1}{4}\)Sec. 3; Lot 6, Sec. 4; SE\(\frac{1}{4}\)Sec. 9) W\(\frac{1}{2}\)NE\(\frac{1}{4}\), NE\(\frac{1}{4}\)NW\(\frac{1}{4}\), E\(\frac{1}{2}\)SW\(\frac{1}{4}\), SE\(\frac{1}{4}\)Sec. 10; N\(\frac{1}{2}\)NE\(\frac{1}{4}\), SW\(\frac{1}{4}\)NE\(\frac{1}{4}\), NE\(\frac{1}{4}\)NW\(\frac{1}{4}\), SE\(\frac{1}{4}\)Sec. 10; N\(\frac{1}{2}\)NE\(\frac{1}{4}\), SW\(\frac{1}{4}\)NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NE\(\frac{1}{4}\), NW\(\frac{1}{4}\), NW\(
- has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the District for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.
- 14. Navy may, by written notice to District, terminate all rights of District under this agreement if it is found, after notice and hearing by the Secretary of the Navy, or his designee, that gratuities (in the form of entertainment, gifts or otherwise) were offered or given by District or any agent or representative of District to any officer or employee of Navy with a view towards securing an agreement or securing

favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such agreement, provided, that the existence of the facts upon which the Secretary makes such findings shall be in issue and may be reviewed in any competent court.

Article 14 hereof, Navy shall be entitled (i) to pursue the same remedies against District as it could pursue in the event of a breach of the agreement by District and (ii) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Secretary or his duly authorized representative) which shall be not less than three nor more than ten times the cost incurred by District in providing any such gratuities to any such officer or employee.

16. The rights and remedies of Navy provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

Work by the Navy or Reclamation herein provided for, which may require appropriations of money by Congress or the allotment of funds, shall be contingent upon such appropriations or allotments being made. The failure of Congress to so appropriate funds or the failure of an allotment of funds shall not relieve the District from any obligations under this agreement nor give the District the right to terminate this agreement or to any of its executory features. No liability shall accrue against the Navy or Reclamation in case of such funds not being appropriated or allotted.

18. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their proper officers thereunto duly authorized, the day and year first above written.

> THE UNITED STATES OF AMERICA BUREAU OF RECLAMATION

By /s/ E. O. Lerson Regional Director

THE UNITED STATES OF AMERICA BUREAU OF YARDS AND DOCKS

By /s/W. F. Weaver
W. F. Weaver, Capt., CEC, USN
By direction of Chief of the Bureau
of Yards and Docks acting under the
direction of the Secretary of the Navy

TRUCKEE-CARSON IRRIGATION DISTRICT

(SEAL)

ATTEST:

By /s/ Edward A. Dyer
President

/s/ John R. Hannifan Secretary

